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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON AUGUST 25, 2011

Commission Chairman Orjiakor N. Isiogu called the meeting to order at 1:30 p.m.
Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

PRESENT

Commission: Orjiakor N. Isiogu, Chairman
Monica Martinez, Commissioner
Greg R. White, Commissioner

Staff: Alissa Day
Judy Palnau
Mary Jo Kunkle
Sharron Allen
Gina Hengesbach
Al Freeman
Blair Renfro
Robin Barfoot
Cheryl Rojas
Gary Kitts
Alex Morese
Angie Butcher
Chrissie Pearce
Natalie Thelen
Lisa Pappas

Public: Kwafo Adarkwa, ITC Holdings
Emily Lawler, MIRS
Suzy Westmoreland, MEGA
Bev Roberts, Consumers Energy

- I.** Commissioner Martinez moved to approve today's agenda, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The agenda was approved.

- II.** Commissioner Martinez moved to approve the minutes of the Regular Commission Meeting of August 11, 2011, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The minutes were approved.

III. ORDERS

A. COMMUNICATIONS

1. U-13758 AT&T MICHIGAN AND MCIMETRO ACCESS TRANSMISSION SERVICES, LLC, d/b/a VERIZON ACCESS TRANSMISSION SERVICES
- U-16760 AT&T MICHIGAN AND US XCHANGE OF MICHIGAN, LLC, d/b/a ONE COMMUNICATIONS
- U-16842 DEERFIELD FARMERS' TELEPHONE COMPANY AND WALDRON TELEPHONE COMPANY
- U-16846 WIMACTEL, INC., AND AT&T MICHIGAN (interconnection agreements and amendments)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which requests Commission approval of interconnection agreements and amendments. The order before you approves the requests, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

2. U-16266 TELNET WORLDWIDE, INC.
(ETC designation)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves a request filed by TelNet Worldwide, Inc., for designation as an eligible telecommunications carrier for purposes of universal service fund support. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

3. U-16463 CELLCO PARTNERSHIP
(ETC designation)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application to amend an eligible telecommunications carrier designation. The order before you dismisses the application without prejudice, at the applicant's request, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

4. U-16812 CRYSTAL AUTOMATION SYSTEMS, INC., d/b/a CASAIR, INC.
(temporary license)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which is an application for a temporary license to provide basic local exchange service. The order before you grants the temporary license, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

5. U-16835 ALLENDALE TELEPHONE COMPANY
(license expansion)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which is an application for a temporary amendment to a license to provide basic local exchange service. The order before you grants the temporary license amendment, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

B. ELECTRIC

1. MINUTE ACTION COMMISSION'S OWN MOTION
(Michigan Saves)

Commissioner Martinez moved that the Commission adopt and issue minute dated August 25, 2011 authorizing Gary Kitts, Bureau Administrator, to enter into the Trust Fund Agreement, dated October 1, 2011, with Michigan Saves, Inc., on behalf of the Michigan Public Service Commission, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The minute was adopted.

2. U-15677-R THE DETROIT EDISON COMPANY
(’09 PSCR reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves the application of The Detroit Edison Company for reconciliation of its power supply cost recovery revenues and expenses for the 12-month period ending December 31, 2009. The order before you grants the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

3. U-15806 THE DETROIT EDISON COMPANY/L’ANSE WARDEN ELECTRIC
COMPANY LLC
(renewable energy contract)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by The Detroit Edison Company for approval of a renewable energy contract amendment between the company and L’Anse Warden Electric Company LLC. The order before you grants the requested relief, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

4. U-15806 THE DETROIT EDISON COMPANY/TUSCOLA BAY WIND, LLC
(renewable energy contract)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by The Detroit Edison Company for approval of a long-term, 20-year renewable energy contract with Tuscola Bay Wind, LLC. The order before you approves contract as in compliance with Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

5. U-16132 DETROIT THERMAL, LLC
(amendment to steam sales agreement)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by Detroit Thermal, LLC for approval of an amendment to a steam sales agreement. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

6. U-16500 THE MART TRUST v DTE ENERGY COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves a complaint against Michigan Consolidated Gas Company and The Detroit Edison Company filed by The Mart Trust. The order before you dismisses the matter with prejudice, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays – None

The order was adopted.

7. U-16516 BALDWIN COMMODITIES CORPORATION v ALGER DELTA COOPERATIVE ELECTRIC ASSOCIATION

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves a complaint filed by Baldwin Commodities Corporation against Alger Delta Cooperative Electric Association. The order before you dismisses the complaint with prejudice, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

8. U-16563 COMMISSION’S OWN MOTION
(self-directed energy optimization forms and instructions)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which approves revised filing forms and instructions for self-directed customers and providers, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

9. U-16574 THE DETROIT EDISON COMPANY
(UETM approval)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by The Detroit Edison Company for approval of its uncollectible expense true-up mechanism computation for 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

10. U-16580 ALPENA POWER COMPANY
(renewable energy biennial plan review)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by Alpena Power Company for approval of its renewable energy biennial plan review. The order before you approves the company's renewable energy plan, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

11. U-16584 INDIANA MICHIGAN POWER COMPANY/WILDCAT 1 WIND
FARM, LLC
(renewable energy contract)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by Indiana Michigan Power Company for *ex parte* approval of a renewable energy purchase agreement with Wildcat 1 Wind Farm, LLC. The order before you approves the contract as in compliance with Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

12. U-16586 UPPER PENINSULA POWER COMPANY
(amended renewable energy plan)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by Upper Peninsula Power Company for approval of its biennial renewable

energy plan. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

13. U-16587 WISCONSIN PUBLIC SERVICE CORPORATION
(renewable energy biennial plan review)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by Wisconsin Public Service Corporation for approval of its biennial renewable energy plan. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

14. U-16590 BAYFIELD ELECTRIC COOPERATIVE, INC.
(renewable energy biennial plan review)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by Bayfield Electric Cooperative, Inc. for approval of its renewable energy biennial plan review. The order before you approves the company's renewable energy plan, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

15. U-16648 PREMIER ENERGY MARKETING L.L.C.
(renewable energy biennial plan review)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by Premier Energy Marketing L.L.C. for approval of its renewable energy biennial plan review. The order before you approves the renewable energy plan as in compliance with the requirements of Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

16. U-16652 U.P. POWER MARKETING LLC
(renewable energy biennial plan review)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by U.P. Power Marketing LLC for approval of its renewable energy biennial plan review. The order before you approves the company's renewable energy plan, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

17. U-16800 KRISTEN FALCONER v CONSUMERS ENERGY COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves a complaint filed by Kristen Falconer against Consumers Energy Company. The order before you dismisses the complaint, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

18. U-16808 HOMEWORKS TRI-COUNTY ELECTRIC COOPERATIVE
(choice tariff)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by HomeWorks Tri-County Electric Cooperative for *ex parte* approval of revisions to its Large Power Service Rate – Choice, Schedule CD-C and its Primary Service Rate – Choice, Schedule PSDS-C. The order before you grants the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

C. GAS

1. U-16483 SEMCO ENERGY GAS COMPANY
U-16484 SEMCO ENERGY GAS COMPANY
(’11 – ’12 GCR plan and factors)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involve applications by SEMCO Energy Gas Company for authority to implement a gas cost recovery plan and factors for the 12-month period ending March 31, 2012. The order before you approves a settlement agreement and authorizes SEMCO Energy Gas Company to implement a base gas cost recovery factor of \$5.4899 per dekatherm, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

2. U-16731 MICHIGAN GAS UTILITIES CORPORATION
(energy optimization plan)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by Michigan Gas Utilities Corporation requesting approval of its energy optimization plan and energy optimization surcharges for 2012 and 2013. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

3. U-16733 SEMCO ENERGY GAS COMPANY
(energy optimization plan)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an application by SEMCO Energy Gas Company requesting approval of its energy optimization plan and energy optimization surcharges for 2012 and 2013. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

4. U-16769 MICHIGAN CONSOLIDATED GAS COMPANY
(extension of time)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which involves an amended petition by Michigan Consolidated Gas Company for an extension of time to file the company's application, testimony and exhibits supporting a request for accounting and ratemaking approval of depreciation rates for gas utility plant. The order before you grants the relief requested in the amended petition, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

5. U-16802 XOOM ENERGY MICHIGAN, LLC
(AGS application)

Commissioner Martinez moved that the Commission adopt and issue order dated August 25, 2011 which is an application by Xoom Energy Michigan, L.L.C., for a license as an alternative gas supplier. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

IV. PUBLIC COMMENTS

There were no public comments.

Chairman Isiogu announced that two press releases were issued today. The first press release announced the seven Consumers Forums around the state of Michigan. The second press release noted the September 30th deadline to apply for Michigan's Home Heating Credit.

Commissioner Martinez announced that effective September 2, 2011 she will be leaving the Commission. She thanked staff for sharing their expertise and supporting her initiatives during her tenure. She added that she is looking forward to spending more time with her new son.

Chairman Isiogu and Commissioner White thanked Commissioner Martinez for her contributions to public service.

Chairman Isiogu announced that the next regularly scheduled Commission Meeting will be held on September 13, 2011.

Commissioner Martinez moved that the Commission adjourn, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White
Nays – None

The motion was approved.

The meeting adjourned at 1:45 p.m.

Mary Jo Kunkle
Executive Secretary